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ASEAN and its Regional Integration from the Perspective of "Regionness"

Takeko IINUMA

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Abstract

Despite the increasing number of regional arrangements and dynamics, the concepts of "region" and of "regional integration" have been equivocally defined. This essay aims to revisit definitions of "region" and "regional integration" in a cross-disciplinary manner by exploring an analysis based on the concept of "regionness." Drawing on the case of regional integration through the Association of Southeast Asian Nations (ASEAN), this study further attempts to clarify its characteristics with regard to "regionness" and points out relations between the economic driving force and regional integration, in order to delineate how certain regional dynamics, driven by economic liberalization, are paving the way to become a "region."

1. Introduction

Although regional integration is not particularly a new phenomenon, the recent developments of regional arrangements especially in the economic domain have generated renewed attention. Whereas several integration arrangements can be traced back to well before the establishment of the General Agreement on Tariffs and Trade (GATT), regional trade agreements (RTAs), which entered into force, have been proliferating in an unprecedented manner since the early 1990s (Fiorentino, 2011:4, 6). By January 2014, the total number of RTAs in force grew to 377 (WTO Database). Regional integration dynamics are often substantial part of globalization. Some argue that the world economy is increasingly a regionalized economy (Weiss, 1997: 22). Given the large number of actual trade arrangements based on regions, regional integration is becoming a more concrete and pervasive manifestation of the world economy than globalization. However, the process of region-making can take place in varied forms and under various names other than regional integration. In spite of the growing interest in regional integration, what "region" and "regional integration" virtually mean and how they work remain questionable.

The aim of this essay is to clarify the meanings of "region" and "regional integration" by exploring the epistemology of "region" and the process of region-making that leads to regional integration. The analyses will be made based on the concept of "regionness," which can serve for understanding the "consolidation and construction of regions," and it

can range from the regional space, regional complex, regional society, regional community to region-state (Hettne and Shöderbaum, 2002: 34). This study draws on the case of regional integration in Southeast Asia, namely the Association of Southeast Asian Nations (ASEAN). [1] Southeast Asia's developments provide us with a salient case of epistemological challenges of regional integration as it is considered as one of the "most advanced" projects of regional integration in the developing world, or South-South integration, while it is one of the most diverse areas of the world in terms of society, culture, ethnicity, language, history, politics and economy without inherently binding basis as a region.

The majority of scholarly work on regional integration has been based on the empirical observations of the European Union (EU). Derived from the experiences of the EU, some studies have presented policy and management suggestions in other areas of the world. Meanwhile, there have been increasing activities related to regional integration in the non-European world, where the lessons learned from the European case are being tested. The emphasis on the EU experience in the studies of regional integration also raises an epistemological issue. A phenomenon identified in the EU context might appear in other regions under integration, but is it conceived in the same manner as in the EU? Does "regionness" mean the same thing across different regions? How do people, policy makers and the private sector perceive a region in making? What are the consequences of it in actual designing of regional policies and programs?

Apart from the regionally skewed tendency of regional integration studies, there is a methodological issue. To what degree, can we build our arguments on functionalist analyses, which prevail in the studies of regional integration and assume rational perfection in the decision making of leaders and organizations? One task is to look into what methodological lenses enable us to see (or prevent us from seeing) what dynamics are at work. This study explores interdisciplinary analyses, encompassing political economy, international relations, economic studies as well as area studies of Southeast Asia. In the case of Southeast Asia, which is an area of multiplicity, how are they making a region that is equally conceivable by the participating members? What constitutes a unity or any basis for a region in ASEAN at the conceptual and functional levels? What elements does ASEAN expect to be coherent to construct a region? Another way to put it is to look into the opposite, -- what does ASEAN consider disuniting and therefore problematic?

In an effort to understand what "region" is, this essay re-examines interdisciplinary discussions and their space creation of a "region" and of "regional integration" in Southeast Asia. It will first discuss the definitions of "region" along the concept of "region" and seek its meanings in the context of Southeast Asia. Second, it will examine what elements

[1] Its member states, as of January 2014, are Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. This paper employs commonly used names of the member countries.

constitute "regional integration" in juxtaposition to other forms of regional activities, as well as what have been considered as drivers for "regional integration" in Southeast Asia. The third section will review the emergence of "regional integration" through ASEAN and explore how the move toward trade liberalization requires to construct a "region." Similarly, the fourth section will examine how ASEAN's membership enlargement serves to construct a "region" and deals with the societal and other issues beside the economic goals. The final section will integrate these analyses to indicate the characteristics of "regionness" and region-making of ASEAN.

2. Troubled definitions of "region"

This section examines definitions of "region" and discusses them in the context of Southeast Asia. The lexicology of the term "region" points primarily to certain spatial unit with homogeneity -- geographical, faunal, or vegetational. Definitions of "region" in the non-human spheres appear fairly defined as seen in specific measurable characteristics, such as an area with a characteristic fauna and an area characterized by the prevalence of certain vegetational climax types.[2] Our concern here is "region" in the human world, where homogeneity is a misleading concept. The meanings of "region" indicate a wide range of spatial perceptions, from "an administrative area, division, or district,"[3] which is a bureaucratic space demarcation, to "an area of the world made up of neighboring countries that, from an international point of view, are considered socially, economically, or politically interdependent."[4] While the former deals with a spatial range of a region, the latter deals with its inherent features. With regard to the spatial range, any region that is administratively recognized is defined by a boundary. Regional boundaries are identical to the boundaries of the states within that region.[5] As seen in the territories of state, city, town and village around the world, the spatial demarcation often involves disputes and tremendous political confrontations. The "region" we consider in "regional integration" is built comfortably on the state boundaries. As many studies have demonstrated the

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[2] *Merriam-Webster Dictionary* (Springfield, M.A.: Merriam-Webser, 1988).

[3] *Ibid.*

[4] *Oxford English Dictionary* (Oxford: Clarendon Press, 1989). It also indicates a domestic sphere, as a "relatively large subdivision of a country for economic, administrative, or cultural purposes that frequently implies an alternative system to centralized organization." Furthermore, the origin of the English term "region" was associated with *regĕre* "to rule," and therefore, lexicologically speaking, whether domestic or international is not much of importance. Instead, to rule or to administer is the main connotation of the term.

[5] In discussing "region," we face with two types of regions: one that is broader than a state, in other words, a supra-state region, and the other within a state, or an intra-state region. There can be also a region encompassing part of the territories of plural states. This essay focusses on the supra-state region in order to discuss the regional integration process of ASEAN. This does not mean that intra-state regions have no relevance in regional integration. Plural intra-state regions can form a supra-state region within the context of particular projects of regional integration, as seen in the cases of Singapore-Johor-Riau Growth Triangle and of Indonesia-Malaysia-Thailand Growth Triangle.

arbitrariness of state boundaries, the boundaries of regions are not free from questions on their viability and legitimacy. As for the inherent features of a region, if interdependency is a prerequisite for a "region," how to define and measure the level of interdependency is an important yet difficult task. Cantori and Spiegel (1970: i) consider the regions to be areas of the world which contain geographically proximate states forming, in foreign affairs, mutually interrelated units. Mutual interrelatedness is even less specific than interdependency to discern and measure how it actually constitutes a "region."

Given the wide and opaque range of meanings of "region," the concept of "regionness" is helpful in furthering the arguments. According to Hettne and Shöderbaum (2002: 38), "regions" are "political and social projects, devised by human actors in order to protect or transform existing structures," which implies their intrinsic indefiniteness, and "regionness" is "the process whereby a geographical area is transformed from a passive object to an active subject, capable of articulating the transnational interests of the emerging region." Thus, "regionness" speaks to the degree to which certain space is considered as a distinct entity.

By questioning how "regionness" emerged in Southeast Asia, the following part reviews the multiplicity of "region" in concrete terms, especially with regard to its variable spatial range and its inherent features. Although the constituent countries of Southeast Asia are very clear, the sense of "region" and the definition of the "region" of Southeast Asia are by no means self-explanatory. Southeast Asia as a spatial unit is a category created in the process of world political history in the twentieth century. During World War II, the Allies established in 1943 for strategic purposes an operational unit, the South East Asia Command (SEAC), which forged this geographical unit as an entity for the first time. While "South East Asia" is a name based on a view from Europe, other ways of conceiving this area also reflected either hegemonic or colonial views: "Southern Seas" ("Nanyang" and Nanyo"), viewed from China and Japan, and "Further India," or the "Indies," viewed from Europe. These names indicate that this area was not considered as an independent geographical unit but rather as an area identified in relation to the ocean area or India. After World War II, this geographical categorization of Southeast Asia diffused as a main unit of spatial perception for this part of the world.

Even though the spatial demarcation per se of Southeast Asia seems to be non-disputable, there are many signs of its ambiguity in practice. In the early years, ASEAN rejected the membership applications from Papua New Guinea and Sri Lanka, and the rejection of Papua New Guinea was due to Indonesia's objection, and that of Sri Lanka was because "it was deemed to be beyond Southeast Asia's geographic confines" (Ortuoste, 2011: 6). Regional identification is a result of international political relations rather than a geographically clear-cut classification. Being within the obvious geographic range of Southeast Asia does not mean automatic accession to ASEAN either. Consensus from all ASEAN member states is necessary to allow accession of a new member, which means the

decision is heavily influenced by each member's domestic political concerns, as seen in Timor-Leste's difficulty in joining ASEAN (Ibid.: 16).

The region's further ambiguity in practice is visible in the fact that Southeast Asia is sometimes considered as part of East Asia.[6] Discussions on East Asian integration usually include Southeast Asia, and ASEAN-related schemes are the most integrated achievements (Huang and Zhang, 2011). In trying to depict Asian regionalism, ADB selected 16 economies that appeared to represent integrating Asia based on the regional economic ties. They were the 10 ASEAN economies and China, Hong Kong, India, Japan, Korea and Taiwan, and ADB admits that this grouping is somewhat arbitrary because it could have extended to West Asia, all of South Asia, Central Asia, as well as the Pacific (ADB, 2008: 24). If we build on a definition related to administration, "region" as an administrative unit may appear well-delineated and, therefore, could be useful as a general framework. Yet, an administrative demarcation is not an overarching definition or spatial unit either. For the United Nations, albeit its major administrative role on a world scale, "regions" are directly related to its organizational and administrative structure rather than a holistic demarcation, and Southeast Asia is considered as a "subregion" rather than a "region."[7] These examples show Southeast Asia's on-going elusive characteristics influenced by varied international political interest as well as multiple administrative perceptions.

Historical studies of Southeast Asia portrayed certain commonalties in history, society, culture and religion in this area. Wolters' classic study of pre-modern history of Southeast Asia pointed to the *mandala* as a common thread of political dynamics characterized by a vaguely definable geographical area without fixed boundaries, in which smaller centers tended to look in all directions for security (Wolters, 1999: 27-28). Having commonalties and being aware of them are separate matters. Despite the similar modes of *mandala* behavior, the existence of the local cultures prevented a "region-wide awareness of a common 'Indian' heritage" (Ibid.: 56). Steinberg's edited volume, *In Search of Southeast Asia: A Modern History* (1971), also looked for common themes in Southeast Asia's modern history. Beside pointing out certain ecological commonalities that lead to a similarity of flora, fauna, climate and human cultivation, this volume employs the term "Southeast Asians" to illustrate their shared experience and historical trajectories in the pre-colonial,

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[6] Due to the continuously blurring use of regions in Asia, all or part of Southeast Asia has been at times included in East Asia. A 1993 World Bank report examined four of the Southeast Asian economies as cases of "economic miracles" of East Asia. For its purpose of tracing the paths of fast growth and development, it was logical for the World Bank to categorize Indonesia, Malaysia, Singapore and Thailand as part of East Asia (World Bank, 1993). More commonly, though, studies of East Asia included all of Southeast Asia.

[7] Its five regional commissions in Europe, Latin America, Africa, Western Asia, and Asia and the Pacific, represent regions, and the United Nations administrate them separately. All international organizations follow this classification, and thus Southeast Asia is categorized as a "subregion" under the "region" of Asia and the Pacific.

colonial, and post-colonial periods. There are solid cross-cutting issues and themes across the experiences of these societies over these periods such as traditional kingdoms, colonialism, nationalism and nation construction. Yet, these are only thematically related without actual sharing of the same experience, and observations that Southeast Asia fall short of a "region" are recurrent (Tarling, 2006: 35) as this area has no inherent homogeneity in terms of language, religion, ethnicity, and a wide variety of pre-colonial kingdoms flourished, and different colonial powers ruled in different manners. Without pre-existing "regionness," this area has much space for the new "regionness" to maneuver. One would see easily a parallel between region and nation-state building through the work of Ben Anderson regarding nationalism and nation-state construction because "Southeast Asia's claim to be a region was largely self-constructed and self-promoted" through the process of "imagining the region" (Acharya, 1999). According to Acharya (2012), Southeast Asia is "a region in making," and this largely owes to "a significant and self-conscious effort at regional identity-building," especially since the formation of ASEAN in 1967. If a "region" is being made and strengthened without significant commonalties or without awareness of such commonalties, we shall look into what becomes an engine, other than the mere geographical proximity, of regional integration.

3. Between "regional integration" and other regional activities

Given the problematic definitions of "region," how can we understand "regional integration"? Studies of regional integration started in the mid-1950s drawing on the case of the European Community. As a leading scholar of studies of the European integration and a strong advocate of it, Haas (1970: 610) warned that for evaluative clarity the study of regional integration should exclude from the discussion "overlapping and cognate activities," such as "regionalism, regional cooperation, regional organization, regional movements, regional systems, or regional subsystems of a global system." Despite his methodological suggestion, many studies since then have dealt with a variety of regional activities as components of, if not identical to, regional integration. In fact, the differences between "regional integration" and all other regional dynamics and activities are not clear. In using the terms "overlapping and cognate activities," one may think that there is "genuine" regional integration. Even if there is any, "overlapping and cognate activities" might be simply "on the way to fully-fledged" regional integration or might be completely of a different nature from "genuine" regional integration. It is, hence, not as easy as Haas hoped in theory to discuss regional integration exclusively as it might not be possible to completely distinguish those "overlapping and cognate activities" from "non-overlapping and specific" regional integration.

It is, on the contrary, instrumental to consider similar terms and concepts in order to clarify the meanings of "regional integration." "Regionalization" and "regionalism" both

imply dynamics of a "region" in making, but their specific meanings ought to be distinguished from one another. One distinction can be made by *de facto* and *de jure* aspects. "Regionalization," or *de facto* aspects, represents "actual mechanisms deployed and decisions made by private agents in their integration and interdependency," while "regionalism," or *de jure* aspects, represents the "way public bodies and public policy actively promote integration and interdependency between countries" (Hirst, Thompson, and Bromley, 2009: 159). In a similar vein, "regionalization" is a type of a process while "regionalism" is usually a state-led project (Breslin, et al., 2004: 16), and more specifically, "regionalization" can be seen as a bottom-up process of cross-border cooperation driven by non-governmental actors, and "regionalism" can be seen as a top-down process of government-to-government formation of institutions (Pempel, 2005: 6). Even "region" per se can be considered as a discursive tool used to refer to "governance units that are not states but have some statehood properties" (Langenhove, 2013).

Then, how can we define "regional integration" in a manner applicable to Southeast Asia? Southeast Asia's region-making through ASEAN fits *de jure* aspects, state-led projects and government-to-government formation of institutions as the government bodies have taken most of the initiatives in promoting the integrative projects under ASEAN while private agents have usually been absent in this process. "Regionalism" as a state-led process is shaping the region-making of ASEAN, and "regionalization" might follow as a result of the implementation of regional integration schemes. For Langenhove (2011, 48), "regional integration" indicates a process of complex social transformations "with or without" some kind of permanent institutional structure or mutual cooperation. ASEAN's integration is impossible without institutional structure or cooperation. The state-led aspect of "regional integration" automatically means institutionalization and strengthened diplomatic relations.

Ginsberg (2010: 12) broadly defines "regional integration" as "a process by which highly interdependent, like-minded states in a region, which have a degree of economic and political complementarity, engage in intensive and binding cooperation in selective areas of common interest." This definition, obviously presupposing the European integration, has a great difficulty in applying to the case of Southeast Asia. Only a few of the member states of ASEAN are highly interdependent, and hardly any like-minded. "Interdependency" is a problematic definition of "region" as discussed earlier and remains equally problematic for the definition of "regional integration." Even if we delimit interdependency in terms of trade and investment, those who are interdependent are basically the less developed economies such as those of Laos and Myanmar in relation to Thailand. ASEAN's overall intra-regional economic activities have traditionally shown a relatively low level of interdependency.[8] The economies in ASEAN have been more

[8] The ratio of its intra-regional trade in general is between 22-27% in 2011-2012 (ASEAN Merchandise Trade Statistics Database), and, although the ratio of the intra-regional investment is growing, ASEAN's

strongly connected with the economies of the industrialized countries in East Asia, Europe, and North America. There is a discrepancy between a seeming definition of "regional integration" and the actual state of "regional integration."

From international relations' perspectives, Yoshimatsu (2008: 7) also chooses to define regional integration loosely, but points to the characteristics of state behaviors in it, as "voluntary collective actions among states to resolve common regional problems that have the possibility of affecting the states' sovereignty." Among various theories of international relations, realism and constructivism are particularly of relevance in analyzing regional affairs as the former highlights the behaviors of the state and the latter looks into the process. The earlier discussions on "regionalization" and "regionalism" pointed out that the on-going regional integration is led by the states. In this sense, the realist logic still serves to a great degree as it maintains much importance in explaining how states lead the evolutions in a given region.[9] Realists' assumption goes further that the state makes rational decisions as it "calculates positive and negative effects of intra-regional and extra-regional forces on its interests by engaging in cost-benefit analysis" (Yoshimatsu, 2008: 9). It is, though, unlikely that the member states of ASEAN rely on straightforward cost-benefit analyses to make decisions because rational decisions made at the state level do not necessarily sum up as a collective rational decision. With regard to the decision making process, the constructivist perspectives may explain better a process of integration as they stress the importance of "transformative or generative processes" such as socialization or internationalization through which actors -- in this case the member states -- construct their interests and identities or accept collective norms for the emergence and development of regional integration (Yoshimatsu, 2008, 15). Constructivists' assertion that collective identity or regional awareness is socially constructed among the states and that norms effectively mediate this socialization process facilitates the understanding of the dynamics of ASEAN, which launched the process of regional integration despite the absence of common characteristics and of commonly shared identity or awareness.

The main actors of regional integration through ASEAN are the member states and their policy makers, and they are engaged in the process of creating regional identity, awareness and norms. What is peculiar here is that actual "regionalisms" around the world, including ASEAN, demonstrate objectives and reasons of governments through the utilization of market forces. The whole process of creating regional identity, awareness and norms is taking place in a context of economic globalization and increasing competition.

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share of the total FDI in the region remains 23% in 2011 (ASEAN Foreign Direct Investment Statistics Database).

[9] He points out that the state primarily pursues self-interest and that the realist reasoning for the state to promote regional unity is to secure the convergence of national interests through the harmonization of rules and policies and the moderation of distributional conflict (Yoshimatsu, 2008, 9-10).

In this respect, we need to add an economic notion to the definitional discussions of regional integration. The states engaged in regional integration have a desire to maintain sovereignty "by pooling it with others in areas of economic management where most nation-states are too small to act alone" (Schiff and Winters, 2003: 8).

These discussions reveal the state-centered characteristics of "regionalism" in the context of the increasingly competitive global economy. In spite of its call for freer economic factor movements, currently growing "regionalisms" paradoxically are set to serve sovereignty of the states. While the centrality of the free market principles in the initiatives of regional integration is fairly distinctive, it is important to look into how such an economic drive configures a spatial unit as a region. The next section depicts how ASEAN embarked on a new emphasis of free trade and why the framework of a "region" was considered necessary to achieve the goal.

4. "Regionness" and free trade in ASEAN

ASEAN's characteristics transformed enormously in its history over four decades. Having started as a loosely connected diplomatic alliance, ASEAN came to be fully engaged in economic relations to promote economic liberalization as a region. In the course of setting free trade as its main focus, ASEAN strengthened the aspect of regional integration, in other words, engaging in the formation of "regionness."

ASEAN came into being with a minimum institutional structure when the original founding states, Indonesia, Malaysia, the Philippines, Singapore and Thailand, adopted the ASEAN Declaration, the so-called Bangkok Declaration, in 1967. At the beginning, ASEAN's major concern was to ensure peace and security in Southeast Asia. In 1976, ASEAN reached an agreement on the "Declaration of ASEAN Concord" and the "Treaty of Amity and Cooperation (TAC)," which expressed political and security-related concerns of the member states as they were, with the exception of Thailand, still relatively new states that achieved independence from the colonial rules. The principles of the TAC called for "independence, sovereignty, equality, territorial integrity, and national identity of all nations," "the right of every State to lead its national existence free from external interference, subversion or coercion," and "non-interference in the internal affairs of one another," the last point being a distinctive norm of ASEAN. Until the 1980s, its involvement in economic agenda was scarce. As Wong (1988, 327) points out, intra-ASEAN economic cooperation in the 1980s was at the "low-level equilibrium."

The 1990s marked a new era for the "region" of Southeast Asia as it started demonstrating completely different manifestations from those in the previous period. The end of the Cold War in 1991 greatly affected the activities and the membership of ASEAN. After the Cold War, ASEAN changed its norms and emphases from a politically-oriented coalition to an association with a strong economic imperative. The four countries in

continental Southeast Asia, three of which were formerly part of the communist bloc, joined ASEAN: Vietnam in 1995, Laos in 1997, Myanmar in 1997, and finally Cambodia in 1999. By this transformation, ASEAN came to cover fully the whole geographical area of Southeast Asia.[10]

ASEAN's move toward trade liberalization was especially fast. In 1992, it became the first regional group in Asia to agree on the establishment of a free trade area, the ASEAN Free Trade Area (AFTA). AFTA originally targeted for tariff reduction among ASEAN6 to be carried out by 2008, but this process was brought to completion by 2003. The newer member states, namely Cambodia, Laos, Myanmar and Vietnam (CLMV), are expected to complete the same process of tariff reduction by 2015.

Furthermore, ASEAN signed the ASEAN Charter in 2007 to support and to accelerate the process of building the ASEAN Community. The Charter entered into force in 2008 and stipulates the goal of economic integration by the creation of the ASEAN Economic Community (AEC) with a single market and production base by 2015. In 2008, ASEAN adopted AEC Blueprint, according to which AEC has four characteristics: 1) a single market and production base, 2) a highly competitive economic region, 3) equitable economic development across countries, and 4) full integration into the global economy. AEC encompasses not only the aspect of trade and investment liberalization, but also the social aspect of equity (ASEAN, 2007). ASEAN agreed in 2009 on the ASEAN Trade in Goods Agreement (ATIGA), and it entered into force in 2010 to reinforce comprehensively all the initiatives for tariff reduction. Bolstered by these newly established agreements and schemes, ASEAN seeks to realize free flows of goods, services, capital and skilled labor. In the earlier years, ASEAN used to be known for its distinctive communication for cooperation by informal understandings without legal binding rules, so-called "ASAN Way." In the new era, ASEAN's economic activities are clearer and more active than ever, which requires greater degree of regional governance. Its cooperation is also becoming more rule-based and more formally institutionalized as seen in the increase in the secretariat power (ADB, 2011: 122).

There are certainly numerous economic justifications for greater economic integration. It is widely accepted that regional economic arrangements develop through hierarchical categories according to the definitions presented by Balassa (1961: 2) with incremental steps toward greater integration.[11] There are also reasons that commonly derive from

[10] Timor-Leste became independent in 2002 and has been requesting the accession to ASEAN membership.

[11] Balassa enumerated five levels of regional integration. The first level is a free trade area, wherein intra-regional tariffs and non-tariff barriers are removed for the free movement of goods and services within the region. The second level is a customs union, which keeps common external tariffs as well as a common set of policies toward imports from countries outside the region. The third level is a common market, which includes a customs union and allows for free movement of labor and capital within the region. The fourth level is an economic union and includes a common market and a common currency and/or the harmonization of monetary, fiscal and social policies. Finally, the fifth

concerns about economic management in the international milieu. These justifications include: to access major markets in the world, to increase the scale of economy by creating larger and competitive regional markets, to lower transaction costs, to attract foreign investment, which eventually leads to technology transfer. Trade liberalization is discussed in the context of poverty reduction as well. Econometric analyses of ASEAN economies show evidence that FDI inflows are associated with an economic growth and that FDI in the region can be poverty reducing more strongly than elsewhere (Jalilian and Weiss, 2002). Also, there are forces of globalization that pressures firms and countries to seek efficiency, and stabilization of the neighboring countries' economies can be an important concern (Schiff and Winters, 2003: 6-8).

While most of these justifications seem to call for a regional framework, a question remains with regard to the need to take the form of a "region" in order to promote economic liberalization. There are mainly two reasons in which economic integration does not have to take the form of a region. First, before the acceleration of regional economic integration, there were systems of mutual assistance between the industrialized economies and developing economies. By the initiative of United Nations Conference on Trade and Development (UNCTAD), the Generalized System of Preferences (GSP) was established in 1968, with preferences given to all developing countries. Similarly, developing economies were granted with protective trade measures through the Most Favored Nation (MFN) status. For instance, the garment sector in the least developed countries in Southeast Asia benefited from the GSP and the MFN despite the fact that the market for garment relies on such special measures and the market in the industrialized countries. In the least developed countries, these bilateral non-reciprocal measures contributed to attracting FDI and to increasing foreign currency earning, but developments of reciprocal agreements in regional economic integration can erode the privileges developing countries have had through these measures. Besides, North-South and South-South RTAs represent approximately 80 percent of the total number of agreements that have entered into force since 1995 (Fiorentino, 2011: 8). RTAs involving developing countries are the major cluster, and especially a rapid increase in the number of North-South RTAs implies forgoing non-reciprocal systems of preferences under schemes like the GSP in favor of reciprocal trade regimes such as RTAs (Ibid.).

Second, it is instrumental to distinguish different characteristics of economic integration, FTAs and RTAs. Proliferating trade agreements include ASEAN+3 (China, Japan and Korea), ASEAN+6 (ASEAN+3 plus Australia, India and Taiwan), Japan and Singapore, Singapore and New Zealand, and Vietnam and the United States. Besides, some dialogue groupings are coming into shape, such as ASEAN+8 (ASEAN+6 plus the U.S. and Russia) and ASEAN+10 (ASEAN+8 plus the EU and Canada). Several groupings

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level is an economic and political union with fully integrated economic policies and supra-national institutions in full function.

hold ASEAN as the core of the collaboration. In this regard, ASEAN acts as a geographically coherent center. Yet, others involve individual ASEAN members in collaboration with a distant economic partners. Geographical proximity is irrelevant in such economic arrangements. Moreover, in Southeast Asia and a broader area of Asia and the Pacific, most of the regional trade agreements recently negotiated are bilateral, which is leading to the increasing overlapping of memberships, and intra-regional trade relations are becoming more and more complex (Fiorentino, 2011: 16).

In addition, Schiff and Winters point out that "deep" cooperation may be limited to only a few areas of little economic consequence and that it may even be welfare reducing for one or more participating members if it involves the adoption of rules that are suboptimal from a national perspective (Schiff and Winters, 2003: 151).[12] ASEAN's case presupposes "deep" cooperation principally in terms of tariff removal with much liberty allowed to the national sphere. ASEAN's integrative policies have been minimal outside of the effort to liberalize the flow of economic factors. Economically driven regional integration of ASEAN propels the idea of regional integration as a whole, but in reality the integrative process is limited to the economic domain.

Free trade does not mean unleashed imperatives of the market as if it had its own will. There are always deliberate measures to promote freer trade and they come from not only states and the business sector but also international institutions. In order to strengthen the market-driven aspect in regional integration by ASEAN, international banks and organizations have played important roles. The Asian Development Bank (ADB) expects ASEAN to be the driver for regional integration, and its suggestions include building stronger and more effective regional institutions to protect the economies of the region from a financial or economic crisis (Asian Development Bank, 2010: 20).

General assumptions regarding a "region" are associated with the notions of interdependency and relatedness. When applied to economic integration of a region in the context of economic liberalization, such definitions imply greater intra-regional trade. However, the case of ASEAN's integration aims at increasing extra-regional trade. As mentioned earlier, despite general expectations that intra-regional trade would increase with a greater level of integration, the intra-ASEAN trade share has been low. ASEAN is fully aware and in fact conscious of this status because that is the exact reason for forming a single production base. For ASEAN, the most important reason for regional integration is the "formation of the region as a single production base for extra-ASEAN export" (ASEAN, 2013: 38). Bowles (2002: 86) maintains that a central component of the neoliberal development strategy was the attraction of FDI to promote export-led growth

[12] Schiff and Winters (2003: 151) refer to "deep integration" as agreements that aim at achieving some measure of economic union and that create supra-national institutions for pursuing this goal whereas the more general term "policy integration" is used for less far reaching cooperation on domestic policies and regulations.

and that regional groupings of developing countries might attract such capital inflows. This is a new type of development policy, which, before the rise of economic liberalization, used to be formulated at the national level and is now synchronized under the regionally integrated market. Its implications in theory are both in economic and political spheres with increased trade and inflows of foreign capitals and a stable political rule. The ASEAN member states are particularly concerned about political stability and state sovereignty. One may assume that multinational organizations "typically surrender elements of their individual sovereignty in the collective quest for a broader and more deeply institutionalized regional integration" (Pempel, 2005: 13). Nonetheless, the case of ASEAN shows a type of regional integration that provides an arena where the state actors to seek sustenance of their own sovereignty.

5. "Regionness" and the enlargement of ASEAN

In contrast to the peculiar combination of free trade and "regionness," ASEAN's enlargement has had a direct influence on "regionness." Bringing all the countries of Southeast Asia together was conceptually strong enough for ASEAN to embark on "regionness." Then, how did ASEAN's enlargement serve its "regionness"?

Economic theories explain regional integration in various manners. Among them, two schools of thought are of the opposite tenets: neo-classical and critical theories. The neo-classical perspectives presume that a free movement of goods, services and factors would increase factor earnings and level out the economic conditions throughout the region while critical perspectives emphasize disparities rather than trickle-down effect of economic development in the region. Evidently, the existing cases of regional integration started off based on the market-driven aspiration. The initiative for the prototypical form of the European regional integration, namely the EEC, materialized by signing the Treaty of Rome in 1957 derived from the belief that the formation of a common market and allowing the market function fully would assure economic development and would benefit well-being of the people. A free-hand market mechanism may raise awareness at some point about the welfare aspect because it takes too long for a trickle-down effect to occur, and a political need to intervene would arise, but studies show that, in the case of the European integration, regional social policies to adjust the disparities moved up into the major agenda only in the 1990s, almost four decades after the original initiation of the EEC (Hantrais, 1995; Jovanović, 1997: 297). The question here is how and when the concerns about the adverse effect of the economic integration enter the organizational agenda of regional integration.

Although ASEAN's move toward regional integration was driven by the neo-classical premise, its actual schemes reflect mixed concerns over the social and political domains in addition to the economic domain. Although it was in large part due to the Asian Financial

Crisis in 1997, ASEAN paid much attention, at least on the advocacy and policy level, to the issues of inequality among the member states in its process of enlargement.

The Second Informal Summit of ASEAN adopted the "ASEAN Vision 2020" in 1997, which addressed the ASEAN's long-term objective "to become more competitive in the global economy" and ASEAN's commitment for "closer cohesion and economic integration, narrowing the gap in the level of development among Member Countries, ensuring that the multilateral trading system remains fair and open, and achieving global competitiveness" (ASEAN, 1997). Despite the fact that its main ideas were agreed upon in 1996 at the First Informal ASEAN Summit, the "ASEAN Vision 2020" responded to the Asian Financial Crisis in 1997 and showed interest in building a type of community, as it projected "a shared vision of ASEAN as a concert of Southeast Asian nations, outward looking, living in peace, stability and prosperity, bonded together in partnership in dynamic development and in a community of caring societies" (ASEAN, 1997). Although it is a vague statement, it implies certain directions of the community. "Outward looking" indicates that ASEAN's regional grouping is for external connectivity. The last point, "a community of caring societies," was a new concept in ASEAN's schemes and implied its rising concerns over the social dimension. "ASEAN Vision 2020" included another section entitled and affirmed the importance of tackling various economic and social problems by addressing "A Community of Caring Societies." As the concrete plan for this long-term vision, "Hanoi Plan of Action (1999-2004)," adopted in 1998, aimed to "implement initiatives to hasten economic recovery and address the social impact of the global economic and financial crisis" (ASEAN, 1998). The major preoccupation being on the influence of the financial and economic crisis, "Hanoi Plan of Action" held a full range of measures in financial and economic domains for greater economic integration but also called upon social and environmental protection, for the first time, with the attention paid to the social cost of the crisis.[13]

To be one region was no longer sufficient for ASEAN to promote further integration, and the idea of building a community developed rapidly in the 2000s. The Ninth ASEAN Summit in 2003 declared to establish the ASEAN Community by the "Declaration of ASEAN Concord II (Bali Concord II)" and indicated the burgeoning concepts of the three pillars of the ASEAN Community: the ASEAN Security Community, later renamed as the ASEAN Political Security Community (APSC), AEC, and ASEAN Social and Cultural Community (ASCC). APSC is a continuation of the political and diplomatic concerns since the time of ASEAN's foundation. AEC is the central driving force of ASEAN's regional

[13] The main measures of action were to 1) strengthen macro-economic and financial cooperation, 2) enhance greater economic integration, 3) promote science and technology development and develop information technology infrastructure, 4) promote social development and address the social impact of the financial and economic crisis, 5) promote human resource development, 6) protect the environment and promote sustainable development (ASEAN, 1998). The four other measures were related to the conventional concerns of peace and security.

integration. ASCC builds partly on the concerns of the 1976 "Declaration of ASEAN Concord" regarding "cooperation in social development aimed at raising the standard of living of disadvantaged groups and the rural population." The main focus of ASCC, however, displays a new dimension in ASEAN's agenda, that is, to "ensure the work force to be prepared for and benefit from economic integration by investing more resources for basic and higher education, training, science and technology development, job creation, and social protection." It also introduced cooperation in the areas of population growth, unemployment, environmental degradation and trans-boundary pollution as well as disaster management in the region.

For ASEAN, embracing new member states meant embracing a group of less developed countries. The enlargement of ASEAN directly raised the awareness on the intra-regional gap, which could be disuniting and therefore problematic for regional integration. ASEAN addressed its concerns on inequality by launching the "Initiative for ASEAN Integration (IAI)" in 2000, specifically aiming to narrow the development gap between ASEAN6 and CLMV. However, the focus on the gap between ASEAN6 and CLMV was addressed so strongly that the equality aspects and social concerns that were addressed in HPA did not carry on. IAI drew all the attention to the issue of the gap between ASEAN6 and CLMV, which as a result became the most pronounced issue.[14]

As the succeeding plan of the "Hanoi Plan of Action (HPA) (1999-2004)," ASEAN agreed on the "Vientiane Action Programme (VAP) (2004-2009)" at the Tenth ASEAN Summit in 2004. VAP affirms that, for the sake of the ASEAN Community building, it is of great importance to narrow the gap between ASEAN6 and CLMV and indicate measures for that. Furthermore, the Twelfth ASEAN Summit in 2007 decided to accelerate the establishment of the ASEAN Community by 2015, as stipulated in the "Cebu Declaration on the Acceleration of the Establishment of an ASEAN Community by 2015". Thus, the establishment of the ASEAN Community became its most compelling goal supported by the three pillars. Each pillar has its own Blueprint, and, together with "IAI Strategic Framework" and "IAI Work Plan Phase II" (2009-2015), they form the "Roadmap for ASEAN Community 2009-2015."

Views on inequality in the newly formed region can serve as an indicator of what they consider as a region and their definition of responsibility in regional governance. According to "ASCC Blueprint," under ASCC the people of ASEAN are: 1) to promote human development, 2) to enhance social welfare and protection, 3) to promote social justice and rights, 4) to ensure environmental sustainability, 5) to build on the ASEAN identity, and 6) to take initiatives to narrow the development gap (ASEAN, 2009). Its plans also include co-operative activities that are "people-oriented, environmentally

[14] There are also arguments regarding whether ASEAN's gap convincingly divides it into two groups of ASEAN6 and CLMV. Where to draw the line is debatable, and how many groupings emerge depends on the way to measure an economic gap (Iinuma, 2012: 190-194).

sustainable, and built on strong foundations of mutual understanding, trust and a shared sense of responsibility." ASEAN's advocacy shows beginning signs of concerns other than non-economic domains such as social justice, environmental protection and cultural diversity. Whether ASEAN will open up progressive measures to take care of social issues remains uncertain.

The newly created ASEAN Studies Centre and the Regional Economic Studies Programme at the Institute of Southeast Asian Studies organized a workshop "The ASEAN Community: Unblocking the Roadblocks" in 2008. Participating scholars and practitioners from the ASEAN member countries identified the following four issues regarding ASCC: 1) unlike AEC, ASCC lacks concrete drivers, as the stakeholders for ASCC are far more diverse and complex; 2) while AEC Blueprint has specific targets and timelines, it is difficult for ASCC Blueprint to follow the same format; 3) ASEAN member countries may not have a common understanding of social issues, such as values, ethics and social justice; 4) unlike the EU, ASEAN does not have the institutional capacity to translate these social issues into legislation (Asian Studies Centre, 2008: 6-7). Although the participants seem to problematize the difficult characteristics of ASCC, I would argue that these issues derive from the characteristics of the "regionness" of ASEAN. Regarding the issue 1), ASCC directly deals with the population of the ASEAN member states, and it involves politically sensitive issues as most ASEAN member states have certain types of internal and often ethnicity-based conflicts. In this respect, it is difficult to formulate overarching social and cultural causes and detailed targets as pointed under the issues 1) and 2).[15] As for 3), not only with regard to social issues, ASEAN member countries never had a common understanding of any matter. Historically speaking, there was no perception of a region based on this geographical range except in the international political context, or no awareness of such regional identity. With regard to 4), ASEAN demonstrated its capacity to mobilize the resources to forge the multiple schemes and initiatives for AFTA and AEC. The resource mobilization for ASCC can depend on a political will and support from the public.

6. Conclusions

This essay re-examined definitions of "region" and of "regional integration" and indicated the characteristics of "regionness" in the case of ASEAN's regional integration. Epistemologically, "region" has diverse meanings and does not necessarily imply inherent commonalties. The "region" of Southeast Asia has been constructed through substantial and conscious effort of its stakeholders. The statist aspect is still valid as ASEAN's "regional integration" is led by states and is set to serve sovereignty of the states while

[15] These are in fact issues of nation-states, and this poses a question regarding relationship between the level of establishment of nation-states and the level of establishment of "regionness."

private business sector has not been given a significant role in this process. A "region" does not manifest by itself or emerge naturally, and "regionness" requires much effort to create and reinforce. In this respect, there might not be any ideal-typical regional integration although many think of the EU as one. Instead, the characteristics of regional integration is subject to the expectations and agenda of the actors to shape its "regionness." The range of "regionness" also encompasses governability as the major concern of the defined space is to govern people, economies, and all social attributes within this boundary. In the case of ASEAN, governing the economies is the leading principles. ASEAN has crafted a region of economic incentives and gradually of other aspects such as social and environmental concerns.

ASEAN experienced in the post-Cold-War period enormous transformations with regard to economic liberalization and the enlargement of the membership. ASEAN's new emphasis of free trade lead to the reinforced "regionness," and its process has been sustained by institutions launched by the member states. ASEAN's membership enlargement also granted opportunities for "regionness." As Hettne and Shöderbaum suggest, the level of "regionness" can both increase and decrease, and "a region can be a region more or less" (2002: 38). ASEAN's "regionness" is a new phenomenon and hence unsubstantial, which is understandable in the context of the nonappearance of "regionness" in the long history of this area.

The ASEAN Community was created to serve for the liberal logic of trade liberalization, and AEC remains virtually the most important mechanism of ASEAN. Such a strictly economic cause could be enough to gain further international recognition as a region (just like the strictly strategic purpose of setting up the South East Asia Command created a recognizable region). Nevertheless, at certain point "regionness" calls for considerations in non-economic spheres of that space when "regionness" is expected to be a more full-scale entity. Since 1997, ASEAN's region-making included social concerns such as welfare aspects and equality aspects. ASEAN, then, turned its attention to the agenda of decreasing the developmental gap between ASEAN6 and CLMV, which was increasingly emphasized as its major strive for attaining "regionness."

The process in which ASEAN considered its space as a unity was out of strategic needs of the new states. ASAEAN in the 1990s aimed to become a region with the full set of arrangements and institutionalization geared toward economic liberalization, materialized as AFTA. The enlargement of ASEAN, despite their economically driven justification, called for a stronger notion of "regionness." The creation and institutionalization of a liberalized market and the new goal to create the ASEAN Community both formed the sense of a "region" in ASEAN's governance. The regional drive for building a free market does not have any direct imperative to secure regional welfare. However, the ASEAN Community is being addressed through a wide range of concepts such as community, oneness, unity, and equality. ASEAN, originally established for historical and political

reasons and further developed for the economic cause, faces the self-claimed imperative to establish a totally new entity of governance, covering all the areas of the societies, culture and environment. In flux of numerous international economic dynamics, regional integration is marked by the defined territoriality and a sense of governability, and therefore bears wider responsibilities than other forms of economic liberalization arrangements, encompassing all the spheres of the participating societies.

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